massDOT
Massachusetts Department of Transportation

State Management Plan

Recipient ID: 1349
Revised

2026

TITLE VI NOTICE

The Massachusetts Department of Transportation (MassDOT) operates its programs, services, and activities in compliance with federal nondiscrimination laws including Title VI of the Civil Rights Act of 1964 (Title VI), the Civil Rights Restoration Act of 1987, and related statutes and regulations. Title VI prohibits discrimination in federally assisted programs and requires that no person in the United States of America shall, on the grounds of race, color, or national origin (including limited English proficiency), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving federal assistance. Related federal nondiscrimination laws administrated by the Federal Highway Administration, the Federal Transit Administration, or both prohibit discrimination on the basis of age, sex, and disability. MassDOT also provides meaningful access to its programs, services, and activities to individuals with limited English proficiency, in compliance with US Department of Transportation policy and guidance on federal Executive Order 13166.

MassDOT also complies with the Massachusetts Public Accommodation Law, M.G.L. c 272 § 92a, 98, 98a, prohibiting making any distinction, discrimination, or restriction in admission to or treatment in a place of public accommodation based on race, color, religious creed, national origin, sex, sexual orientation, disability, or ancestry. Likewise, MassDOT complies with the Governor's Executive Order 526, section 4 requiring all programs, activities, and services provided, performed, licensed, chartered, funded, regulated, or contracted for by the state shall be conducted without unlawful discrimination based on race, color, age, gender, ethnicity, sexual orientation, gender identity or expression, religion, creed, ancestry, national origin, disability, veteran's status (including Vietnam-era veterans), or background.

To request additional information regarding Title VI and related federal and state nondiscrimination obligations or to file a discrimination complaint, please contact:

Title VI Specialist
MassDOT, Office of Diversity and Civil Rights
10 Park Plaza
Boston, MA 02116
857-368-8580
TTY: 857-368-0603
MASSDOT.CivilRights@state.ma.us

If this information is needed in another language, please contact the MassDOT Title VI Specialist at 857-368-8580.

Caso esta informação seja necessária em outro idioma, favor contar o Especialista em Título VI do MassDOT pelo telefone 857-368-8580.

Si necesita esta información en otro idioma, por favor contacte al especialista de MassDOT del Título VI al 857-368-8580.

如果需要使用其它语言了解信息，请联系马萨诸塞州交通部（MassDOT）《民权法案》第六章专员，电话857-368-8580。

如果需要使用其它語言了解信息，請聯繫馬薩諸塞州交通部（MassDOT）《民權法案》第六章專員，電話857-368-8580。

Если Вам необходима данная информация на любом другом языке, пожалуйста, свяжитесь со специалистом по Титулу VI Департамента Транспорта штата Массачусетс (MassDOT) по тел:
857-368-8580.

Si yon moun vle genyen enfòmasyon sa yo nan yon lòt lang, tanpri kontakte Espesyalis MassDOT Title VI la nan nimewo 857-368-8580.

Nếu quý vị cần thông tin này bằng tiếng khác, vui lòng liên hệ Chuyên viên Luật VI của MassDOT theo số điện thoại 857-368-8580.

Si vous avez besoin d'obtenir une copie de la présente dans une autre langue, veuillez contacter le spécialiste du Titre VI de MassDOT en composant le 857-368-8580.

Se ha bisogno di ricevere queste informazioni in un'altra lingua si prega di contattare lo Specialista MassDOT del Titolo VI al numero 857-368-8580.

ប្រសិនបើលោក-អ្នកត្រូវការបកប្រែព័ត៌មាននេះ សូមទាក់ទកអ្នកឯកទេសលើជំពូកទី6 របស់MassDot តាមរយៈលេខទូរស័ព្ទ 857-368-8580

إن كنت بحاجة إلى هذه المعلومات بلغة أخرى، يُرجى الاتصال بأخصائي الفقرة السادسة على الهاتف 857-368-8580

Contents

TITLE VI NOTICE 2

I. INTRODUCTION 5

PROGRAM OVERVIEW 5

AGENCY OVERVIEW 5

PLAN PURPOSE 6

DEFINITIONS 7

LEGAL AUTHORITY 7

II. PROGRAM INFORMATION 8

A. 49 USC § 5310 ENHANCED MOBILITY OF SENIORS & INDIVIDUALS WITH DISABILITIES AND COMMONWEALTH FUNDED MOBILITY ASSISTANCE PROGRAM (MAP) 8

B. 49 USC § 5339(A) BUS AND BUS FACILITIES 11

C. 49 USC § 5311 FORMULA GRANT FOR RURAL AREAS 12

D. 49 USC § 5311(F) RURAL INTERCITY BUS 15

E. 49 USC § 5311(B)(3) RURAL TRANSIT ASSISTANCE PROGRAM 16

III. GENERAL PROGRAM REQUIREMENTS 18

A. COVID-19 PANDEMIC 18

B. UNIFORM ADMINISTRATIVE REQUIREMENTS 19

C. FINANCIAL MANAGEMENT 19

D. COORDINATED PUBLIC TRANSIT HUMAN SERVICES TRANSPORTATION PLANS 23

E. STATE ADMINISTRATION AND TECHNICAL ASSISTANCE 24

F. CIVIL RIGHTS 25

G. AMERICANS WITH DISABILITIES ACT (ADA) OF 1990 AND SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED 29

H. PROGRAM OVERSIGHT 30

I. GRANTS MANAGEMENT 32

J. PROCUREMENT 34

K. SATISFACTORY CONTINUING CONTROL 35

L. ENVIRONMENTAL REVIEW OF PROJECTS UNDER NEPA RELATED LAWS 39

M, RESTRICTIONS ON LOBBYING 41

N . LABOR PROTECTIONS 42

O DRUG AND ALCOHOL PROGRAM DRUG FREE WORKPLACE ACT 42

P, DRUG AND ALCOHOL TESTING 42

Q. ASSET MANAGEMENT 43

I. Introduction

Program Overview

The Federal Transit Administration (FTA) provides financial assistance to states through programs to support new transit systems and improve, maintain, and operate existing systems. The Governor of the Commonwealth of Massachusetts has designated the Massachusetts Department of Transportation (MassDOT) as the agency of authority and responsibility for administering FTA assistance received in Massachusetts through 49 USC § 5310, § 5311, and § 5339 funding programs. FTA requires that each state produce a State Management Plan (SMP) to communicate the state's administrative policies that govern its FTA programs to its subrecipients. This SMP document is an update to the 2016 MassDOT SMP.

In addition to federally funded state programs, MassDOT provides state operating assistance, state capital mobility assistance program funds (MAP), Regional Transit Authority Capital Assistance Program (RTACAP) funding, and a variety of other legislatively directed discretionary competitive funding programs to the Regional Transit Authorities (RTAs). The RTACAP and state MAP funds are allocated through MassDOT's Capital Investment Plan (CIP) and are designed to develop an integrated and diversified transportation investment portfolio to meet long-term goals for mobility, equity, sustainability and broad-based prosperity.

Agency Overview

In June 2009, the Governor signed into law Chapter 25 of the Acts of 2009, "An Act Modernizing the Transportation Systems of the Commonwealth of Massachusetts," (as amended by Chapter 26 of the "Act.") This landmark transportation reform legislation required that the Commonwealth integrate transportation agencies and authorities into a new MassDOT, which came into effect November 1, 2009. MassDOT, as the unified transportation organization created under the historic reform legislation, is focused on delivering and overseeing safe and efficient transportation services across the Commonwealth

MassDOT is charged with managing all modes of transportation within the Commonwealth of Massachusetts. MassDOT has oversight responsibility for the Registry of Motor Vehicles Division, the Aeronautics Division, the Highway

Division, and the Rail & Transit Division. In addition, MassDOT has an Office of Planning which administers FTA and Federal Highway Administration (FHWA) planning funding and an Office of Performance Management and Innovation. MassDOT also provides fiscal and policy guidance to the fifteen (15) Regional Transit Authorities (RTAs) who operate local bus transit across the Commonwealth. MassDOT has developed bilateral, biennial performance focused Memoranda of Understanding (MOUs) with each RTA to support innovation, safety, equity, and service delivery and quality goals.

The MassDOT board is comprised of eleven members who are all appointed by the Governor with one designated as the chair. Each member is required to fulfill specific criteria with expertise in transportation, finance and engineering. The Secretary of Transportation also serves on the board. The MassDOT board serves as the governing authority for MassDOT and oversees all MassDOT operations. Although the Massachusetts Bay Transportation Authority (MBTA) is a division of MassDOT, the MBTA is governed by a separate nine-member Board.

The MassDOT Rail and Transit Division (RTD) is led by a Division Administrator. The Division has a Rail and a Transit Unit each of which is led by a Deputy Administrator. This plan focuses on the role and responsibilities of the RTD Transit Unit in the management and oversight of FTA state programs and Commonwealth grants to support the implementation and operation of transit services for the general public, including services provided by private operators, and community transit services for elderly and disabled populations. The MassDOT RTD Transit Unit includes specialized planning, financial, procurement, and oversight staff to ensure program compliance with all federal and state requirements.

The MassDOT RTD Transit Unit is also supported by various MassDOT Enterprise Services, including Budget, Fiscal, Audit, Legal, Legislative Affairs, and by the MassDOT Office of Diversity and Civil Rights (ODCR), and the MassDOT Office of Transportation Planning (OTP) on civil rights and planning matters, respectively. This plan provides a description of the role each of these enterprise services as well as MassDOT ODCR and MassDOT OTP play to support the MassDOT RTD Transit Unit's administration of the FTA's financial assistance program.

Plan Purpose

The MassDOT SMP in its approach, mission, reach and commitment is informed by federal and state requirements, policies, procedures and practices and a review of other best-in-class state oversight programs. This SMP update is guided by:

- A holistic approach to the funding, management and oversight of all of

the different programs.

- Significant focus on oversight and field audits of subrecipients to clearly demonstrate their compliance with program requirements and continuing control over federally funded assets.
- The provision of substantial ongoing technical assistance to strengthen subrecipients' understanding of program requirements.
- Commitment to a broad, ongoing conversation with state-wide stakeholders, customers and the communities these programs serve to support mobility, and service delivery goals.
- Commitment to private sector involvement and funding of the § 5311(f) program.
- Commitment to work with the FTA and subrecipients in a continuous improvement process to refine the plan as needed.

Definitions

When used in this plan, the meaning of rural area, small urban area, and large urban area is as follows.

- Non-urbanized area means any area outside of an urbanized area. The term "non-urbanized area" includes rural areas and urban areas under 50,000 in population not included in an urbanized area. In this plan, the term rural is commonly used to refer to all areas other than urbanized areas.
- Small urban area is an urbanized area with a population of at least 50,000 but less than 200,000.
- Large urban area means an area with a population of not less than 200,000 that has been defined and designed in the most recent decennial (every 10 years) census as an "urbanized area" by the U.S. Census Bureau.

Legal Authority

The FTA has the responsibility for national implementation of 49 USC § 5310, § 5311, and § 5339 funding programs covered by this SMP, and provides further program guidance in the circulars listed below. The circulars describe the intent of the programs and explain funding requirements. These requirements include program management and oversight. The contents of this plan must comply with the FTA circulars as well as any other state requirements that are not in conflict with these circulars.

- Circular 9070.1H: Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance

- Circular 9040.1H: Formula Grants for Rural Areas Program Guidance

II. Program Information

A. 49 USC § 5310 Enhanced Mobility of Seniors & Individuals with Disabilities and Commonwealth Funded Mobility Assistance Program (MAP)

1. Goals and Objectives

The purpose of § 5310 and MAP is "to improve mobility for seniors and individuals with disabilities throughout the country by removing barriers to transportation services and expanding the transportation mobility options available." MassDOT uses § 5310 funds to provide grants to Municipalities, Private Non-Profits and Private Operators as allowed under FTA guidelines. MassDOT also passes § 5310 funds through to RTAs who apply directly to FTA for these resources. MassDOT uses Commonwealth provided MAP funds (capital only) to provide supplemental resources for services for the elderly and disabled and also to provide state match for the Federal § 5310 Program.

MassDOT uses § 5310 funds for:

- The purchase of vehicles and related capital equipment or improvements;
- Mobility management programs;
- Operating assistance

MassDOT uses MAP funds for:

- The purchase of vehicles and related capital equipment or improvements

The annual § 5310 apportionment is included in the State Capital Improvement Program and federal State Transportation Improvement Program (STIP) that MassDOT updates annually.

2. Roles and Responsibilities

The MassDOT RTD Transit Unit administers, manages and oversees the § 5310 program through a competitive application process that includes § 5310 and Commonwealth funded MAP resources. The MassDOT RTD Transit Unitwidely publishes the availability of funding each year and provides program outreach to a wide network of municipalities, and public, private non-profit and private providers of public transportation and encourages applicants from a broad pool of public transit, municipalities, non- profit and private public transportation providers who are eligible subrecipients.. The MassDOT RTD Transit Unit handles financial, procurement, planning and oversight matters, and project closeout, supported by MassDOT enterprise units. The Unit works closely and cooperatively to ensure a transparent distribution of funding, as well as ensure subrecipients' compliance with FTA requirements in the application, procurement, and implementation phases. The MassDOT RTD Transit Unit also works closely with

and trains all subrecipients to make them aware of their compliance responsibilities under the program, and ensure continuing control of federally and state acquired capital assets and real property, and timely project closeout.

3. Eligible Subrecipients

There are four categories of eligible subrecipients for § 5310 funds:

- Regional Transit Authorities (Could also apply to FTA Directly)
- Municipalities
- Private Non-Profits
- Private Operators

For an area not covered by a transit provider or for which the existing provider is not willing or able to provide the transportation, a private organization may be selected as an alternate recipient to receive § 5310 funds. Private taxi companies that provide shared-ride taxi service to the public or to special categories of users (such as seniors or individuals with disabilities) on a regular basis are also eligible subrecipients or as contractors to subrecipients. The MassDOT RTD Transit Unit requires that each region's coordinated transportation planning program, which often results in projects funded by § 5310, includes consultation with private providers of public transportation and encouragement of active participation by these providers as stakeholders of the program.

4. Local Share and Local Funding Requirements

Per FTA requirements, at least 55 percent of program funds must be used on capital or "traditional" § 5310 projects. The remaining 45 percent is for other "non-traditional" projects.

The federal share for capital projects (purchase of vehicles and related capital equipment and acquisition of transportation services under contract and mobility management) is 85 percent and the local match is 15 percent. MAP dollars can be used as the local match for capital purchases.

The federal share for operating assistance is 50 percent and the local match is 50 percent. Funds are available to cover the net operating deficit after fares are applied to eligible expenses. Donations are considered local match.

5. Project Selection and Method of Fund Distribution

Each year, the MassDOT RTD Transit Unit solicits § 5310 and MAP projects through a widely publicized and transparent competitive process that details the application process and also provides training and outreach to potential subrecipients on how to complete the project application. A MassDOT RTD Transit Unit appointed selection committee of internal and external persons reviews and scores the submitted projects according to criteria established by the

committee. MassDOT RTD Transit Unit staff reserves the final decision on award amount and funding source and bases the FTA § 5310 Annual Program of Projects on the selected list of projects. The MassDOT Transit Unit follows the FTA apportionment table in determining how many resources are allocated to each urbanized area and rural areas.

The MassDOT RTD Transit Unit requires that projects selected for funding under § 5310 be derived from a locally developed, coordinated public transit-human services transportation plan (CHST) and that the plan be developed through an open, fair and transparent public process. Each regional planning agency in the Commonwealth develops a CHST for their region and MassDOT RTD Transit Unit verifies that § 5310 projects have been derived from these regional CHST plans during the project selection process. Once applicants are selected, MassDOT submits the § 5310 application to FTA. Subrecipients must submit all required FTA certifications and assurances prior to contract signature and annually thereafter. MassDOT may occasionally adjust this process in accordance with FTA requirements for new funding programs and requirements and input from stakeholders.

6. Program Measures

Subrecipients receiving § 5310 funds for projects are required to report at least annually on certain criteria for rolling stock and equipment, such as mileage, vehicle conditions, condition assessments, reportable accidents, and major repairs. This data is used to monitor performance of services and satisfy FTA's Transit Asset Management (TAM) requirements. The MassDOT RTD Transit Unit reviews performance and asset management data annually and during triennial site visits. Additionally, FTA project selection considers targets and performance measures identified in the Transit Asset Management Plan for rolling stock, equipment, and facilities.

The MassDOT RTD Transit Unit also obtains annual reports from the § 5310 regional transportation providers on the following measures:

Traditional §5310 Projects:

(1) Gaps in Service Filled. Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measured in numbers of seniors and people with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.

(2) Ridership. Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and seniors on § 5310–supported vehicles and services as a result of traditional § 5310 projects implemented in the current reporting year.

Other § 5310 Projects:

(1) Service increases or enhancements related to geographic coverage, quality, and availability of transportation services for seniors and individuals with disabilities as a result of other §5310 projects implemented in the current reporting year;

(2) Additions or changes to physical infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services for seniors and individuals with disabilities because of other § 5310 projects implemented in the current reporting year; and

(3) Actual or estimated number of rides (as measured by one-way trips) provided for seniors and individuals with disabilities because of other §5310 projects implemented in the current reporting year.

B. 49 USC § 5339(a) Bus and Bus Facilities

1. Goals and Objectives

MassDOT uses § 5339 funds to finance capital bus and bus-related projects.

2. Roles and Responsibilities

The MassDOT RTD Transit Unit administers, manages and oversees the § 5339 program. Project selection is based on needs identified through the annual MassDOT Capital Investment Programming Process (CIP) which programs state, federal, and other funds to pay for long-term improvements to the transportation system. The CIP is updated annually in the Fall of each year, and outlines planned investments for the next five years. For rural projects or those with non-profit subrecipients, once a project is identified and selected from the CIP for funding , the MassDOT RTD Transit Unit staff works with the subrecipient to develop the project application and submits the application to FTA for approval. The Unit works cooperatively to ensure subrecipients' compliance with FTA requirements in the application, procurement, and implementation phases as well as project closeout and continuing control of federally and state acquired capital assets and real property. The team works closely and cooperatively to ensure subrecipients' compliance with FTA requirements in the application, procurement, and implementation phases. MassDOT also works closely with and trains all subrecipients to make them aware of their compliance responsibilities under the program, ensure continuing control of federally and state acquired capital assets and real property, and ensure timely project closeout. For § 5339 projects to § 5307 urban Regional Transit Authority (RTA) recipients, MassDOT prepares a split letter to FTA so that these RTA applicants can apply directly to FTA for funding, as MassDOT is not a § 5307 designated recipient/applicant.

3. Eligible Subrecipients

Eligible subrecipients of § 5339 funds are Regional Transit Authorities and Private Non-Profit subrecipients in the State's § 5310 applicant pool. For § 5339 projects to §5307 urban Regional Transit Authority (RTA) recipients, MassDOT prepares a split letter to FTA so that these RTA applicants can apply directly to FTA for funding, as MassDOT is not a § 5307 designated recipient/applicant.

4. Local Share and Local Funding Requirements

The federal share for capital bus and bus-related projects is 80 percent of the cost of the project and the local match is 20 percent. MassDOT has the capability to provide state matching funds for § 5339 projects through the Commonwealth funded RTA Cap Program or through FHWA approved toll creditsThese decisions are made on a case-by-case basis through the CIP Planning Process.

5. Project Selection and Method of Fund Distribution

MassDOT primarily allocates § 5339 funds for high priority vehicle replacement and facility rehabilitation/construction that are shovel ready and programmed in the state's Capital Investment Program (CIP). MassDOT utilizes § 5339 funds to supplement § 5311and urban § 5307 formula allocations as well as State capital resources. MassDOT bases § 5339 allocation decisions on funding requests and justifications received from subrecipients as supported by programming in the CIP. In project selection decisions, MassDOT considers factors such as demonstration of need, project effectiveness, and asset management. MassDOT staff reserves the final decision on award amount and funding source. Once applicants are selected, MassDOT submits the § 5339 application to FTA for rural RTAs and private non-profit subrecipients. Subrecipients must submit all required FTA certifications and assurances prior to contract signature and annually thereafter. MassDOT may occasionally adjust this process in accordance with FTA requirements for new funding programs and requirements. For §5339 projects to § 5307 urban Regional Transit Authority (RTA) recipients, MassDOT prepares a split letter to FTA so that these RTA applicants can apply directly to FTA for funding, as MassDOT is not a § 5307 designated recipient/applicant.

C. 49 USC § 5311 Formula Grant for Rural Areas

1. Goals and Objectives

The goals and objectives of the § 5311 Program are to:

1) Enhance access to health care, shopping, education, employment, public services and recreation in rural areas;
2) Assist in the maintenance, development, improvement and use of public transportation systems in rural areas;

3) Encourage and facilitate the most efficient use of all transportation funds used to provide passenger transportation in rural areas through the coordination of programs and services;
4) Provide financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities and low-income individuals;
5) Increase the availability of transportation options through investments in intercity bus services;
6) Assist in the development and support of intercity bus transportation;
7) Encourage mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development;
8) Provide for the participation of private transportation providers in rural public transportation.

In support of these objectives, MassDOT provides all of its § 5311 annual apportionment, less the 10% allocation for state administration, as operating assistance to the four rural public transportation providers that service rural areas in the Commonwealth. MassDOT does not utilize the § 5311 annual apportionment for planning or capital expenses. MassDOT also provides funding for operating assistance to intercity carriers that service rural areas through an annual competitive process that allots 5311(f) funding. To match and supplement § 5311 funds, MassDOT provides Commonwealth appropriated State Contract Assistance (SCA)

The annual § 5311 apportionment is included in the State Capital Improvement Program (CIP) and federal State Transportation Improvement Program (STIP) that MassDOT updates annually. The ongoing CIP and STIP programming process establish long range goals for providing public transportation in rural areas of the Commonwealth and include a strong public and private sector consultation and public participation component, including consultation with Indian Tribes.

2. Roles and Responsibilities

The MassDOT RTD Transit Unit is the direct recipient of § 5311 funding in the Commonwealth and administers, manages and oversees the § 5311 program. Indian Tribes that provide public transit services in the Commonwealth are also eligible to be direct recipients of § 5311 funding. Project development, review and selection is managed by the MassDOT § 5311 team. Other dedicated team members handle financial, procurement, planning and oversight matters, and project closeout, supported by MassDOT enterprise units. The team works closely and cooperatively with the four rural public transportation providers in the Commonwealth, private intercity carriers and other stakeholders to ensure a transparent distribution of funding, as well as ensure subrecipients' compliance with FTA requirements in the application, procurement, and implementation phases. MassDOT also works closely with all subrecipients to ensure continuing

control of federally and state acquired capital assets and real property and timely project closeout.

3. Eligible Subrecipients/Services and Service Areas

Eligible subrecipients for § 5311 include rural operators of public transit and private intercity carriers who operate rural services. Eligible subrecipients also include governmental authorities, nonprofit organizations, and operators of public transportation or intercity bus service that receive FTA grant funds indirectly through a recipient. Eligible nonprofit organizations may also serve tribal transportation needs. The following are the Regional Transit Authorities (RTAs) in the Commonwealth that receive § 5311 funding for the rural services they provide:

- Berkshire Regional Transit Authority (BRTA) (Dual § 5311 and § 5307 Small Urban Provider)-Provides fixed route bus and demand response services in Berkshire County in Western MA
- Franklin Regional Transit Authority (FRTA)-Provides fixed route bus and demand response services in Franklin County in Central and Northwestern MA.
- Martha's Vineyard Transit Authority (VTA)-Provides fixed route bus and demand response services in Duke County on Martha's Vineyard Island in Southeastern MA.
- Nantucket Regional Transit Authority (NRTA)-Provides fixed route bus and demand response services in Duke County on Nantucket Island in Southeastern, MA.

In some regions, a subrecipient may receive both § 5307 and § 5311 funding to provide public transportation for an urbanized area and surrounding rural areas. Because of the wide range of circumstances under which an operator could be providing services in both urbanized and rural areas, the local subrecipient must develop a reasonable basis for allocating the costs between the two funding sources.

MassDOT requires that subrecipients that receive both § 5311 and § 5307 small urban funds document their process for allocating costs between urbanized and rural areas by utilizing the vehicle revenue miles travelled measure, calculated and allocated between urban and rural service, and to report total expenses and show the allocation of expenses between urbanized and rural areas when requesting reimbursement. Staff may review financial information and the allocation of costs between urbanized and rural areas during site visits. This procedure applies to capital projects as well. In the interest of flexibility and coordination, vehicles purchased under either program may be used in any part of a combined urbanized and rural service area, but capital replacement policies ensure that program funds are used appropriately.

MassDOT allocates all § 5311 program funding to subrecipients, retaining only

10% of the apportionment each year for state administration of the program.

4. Local Share and Local Funding Requirements

The federal share for operating assistance is 50 percent and the local match is 50 percent unless otherwise allowed at a higher federal share by FTA. MassDOT provides State Contract Assistance which subrecipients apply toward their local match. Subrecipients also apply local assessment toward their local match. The federal share for capital is 80 percent and the local match is 20 percent although it is not MassDOT's practice to utilize § 5311 funds for capital or planning projects.

5. Project Selection and Method of Fund Distribution

It is MassDOT's practice to direct § 5311 funding to operating expenses given the large need in this category. MassDOT allocates the apportionment each year based on a transparent and fair formula agreed to by the subrecipients. MassDOT notifies subrecipients annually on the formula allocation amounts and develops the Program of Projects. MassDOT applies to FTA for this Program of Projects in one annual funding application. Subrecipients must submit all required FTA certifications and assurances prior to contract signature and annually thereafter. MassDOT may occasionally adjust this process in accordance with FTA requirements for new funding programs and requirements and to ensure that funds are continuing to be distributed fairly and equitably.

6. Transfers

MassDOT is not the designated recipient of any § 5307 funding so does not transfer any of these resources to §5311. It is not MassDOT's policy to transfer § 5339 funding to §5311 but rather to apply for rural capital projects directly to FTA under the program.

D. 49 USC § 5311(f) Rural Intercity Bus

1. Goals and Objectives

MassDOT's goal for the §5311(f) program is to spend not less than 15 percent of the annual § 5311 apportionment to develop and support intercity bus transportation. Eligible activities under the program include operating assistance for rural intercity bus routes.

2. Roles and Responsibilities

The MassDOT RTD Transit Unit administers, manages and oversees the § 5311(f) program. Project development, review and selection is managed by the § 5311(f)

team. Other dedicated team members handle financial, procurement, planning and oversight matters, and project closeout, supported by MassDOT enterprise units.

3. Eligible Subrecipients

Eligible subrecipients of § 5311(f) funds are private operators and RTAs for contracted eligible feeder services.

4. Local Share and Local Funding Requirements

The federal share for operating assistance is 50 percent of the cost of the project and the local match is 50 percent. § 5311(g)(3)(D) provides that in the case of an intercity bus project that includes both feeder service and an unsubsidized segment of intercity bus service to which the feeder service connects, the local match may be derived from the costs of a private operator for the unsubsidized segment of intercity bus service as an in-kind match for the operating costs of connecting rural intercity bus feeder service funded under § 5311(f). MassDOT collects information from the private operators for the in-kind match, validates this information and sends a letter to FTA seeking final validation and approval of the in-kind match amounts.

5. Project Selection and Method of Fund Distribution

MassDOT selects § 5311 (f) projects through a competitive application process and develops the Program of Projects based on this process. Funding priorities are established by MassDOT through analysis of the intercity bus network during statewide long range planning efforts and the development of the State Transportation Improvement Program (STIP) as well as occasional ad-hoc intercity bus network analyses., These planning efforts include intercity bus carrier, stakeholder and community public involvement and consultation. Subrecipients must submit all required FTA certifications and assurances prior to contract signature and annually thereafter. MassDOT may occasionally adjust this process in accordance with FTA requirements for new funding programs and requirements and input from intercity carriers, stakeholders and the public.

E. 49 USC § 5311(b)(3) Rural Transit Assistance Program

1. Goals and Objectives

The Rural Transportation Assistance Program (RTAP) is established by § 5311(b)(3). MassDOT administers the RTAP funding directly to provide training and technical assistance to rural and small urban transit providers operating in areas of the Commonwealth. Beneficiaries of the program include all rural regional transit authorities funded through § 5311, as well as councils on aging, and non-profit organizations that provide transportation services in rural or small urban communities, including tribes.

2. Roles and Responsibilities

MassDOT established the Massachusetts Transit Assistance Programs - "MArtap" and "MAurbanTAP" - to support the objectives of the RTAP program by allocating resources in providing funds for free driver training to transportation providers in Massachusetts. RTAs, Councils on Aging, non-profit providers serving rural areas, and transportation providers who are recipients of vehicles or grants through MassDOT's Community Transit Grant Program are eligible. Other transportation providers may also be able to participate if sufficient funding is available.

The MassDOT RTD Transit Unit staff administers the program, establishes the activities and priorities for each of the assistance categories, and oversees the work of an outside vendor that provides driver training. The program covers the following:

Training

MArtap provides two general categories of training. The first is Driver Training, the second is Specialized Training.

The Driver Training program provides regularly scheduled online webinars and in-person hands-on training sessions throughout the state. An average of eight training sessions take place per month and cover the following topics:

- Defensive Driving
- Accessible Lift Use and Passenger Securement
- Disability Awareness

In addition, an online course offered by the National RTAP on Substance Abuse Awareness training is made available on the MArtap website.

Specialized training opportunities are provided throughout the state as needed. These specialized training sessions are typically two-day intensive courses for managers and supervisors that cover Drug and Alcohol Program Management, Reasonable Suspicion, the Americans with Disabilities Act (ADA) requirements and a Train the Trainer course.

Training curriculums have been designed following national best practices and in consultation with topic area expert consultants. Each year the MassDOT RTD Transit Unit seeks to expand course offerings to ensure that training offerings are responsive to the needs of rural providers. Training needs are also assessed periodically through an on-line survey that is distributed through the MArtap email list-serv.

Scholarship Program

MArtap Scholarships are available to support agencies that provide rural and small urban transit services by covering a portion of the costs associated with professional development opportunities for staff, such as courses, conferences and workshops. RTAs receiving urbanized area formula (5307 sub-recipients) that

provide services in rural and small urban areas may apply for a MArtap scholarship for the purposes of attending a conference or educational program that will clearly and directly benefit rural communities. Awards to urban sub-recipient agencies are subject to discretion the MArtap Advisory Committee and fund availability.

To receive a scholarship, programs must be pre-approved, transportation related, and result in improved transportation services for communities. The total amount of a scholarship can be no more than $1,000 per scholarship. Applications may be submitted for any transit related conference, workshop and training course relevant to the applicant's professional responsibilities and with a clear benefit to the provision of services in communities. Applicants are also encouraged to apply for scholarships to attend community-based continuing education programs that will enhance their professional skills and benefit the communities they serve. Training of drivers, dispatchers and mechanics are encouraged.

Technical Assistance

MassDOT staff periodically surveys rural public transportation and specialized transportation providers to determine technical assistance needs. Technical assistance needs may also be identified during site visits with subrecipients.

RTAP funds may be used to provide technical assistance to public transportation providers, associations and organizations representing rural public and specialized transportation agencies. Examples of projects include technical assistance grants for a variety of rural public transportation issues, development of website capabilities, and peer reviews.

III. General Program Requirements

A. Covid-19 Pandemic

In 2020, the Coronavirus (COVID-19) public health emergency impacted the operations of organizations across the country. In response to the adverse effects that recipients and subrecipients of federal funds were and are still facing, the FTA and the Office of Management and Budget (OMB) have provided additional funding and issued guidance regarding administrative relief and ease of certain restrictions during this public health emergency. FTA created a landing page on their website to provide information and guidance as well as point to resources relevant to funding and operations during the pandemic. MassDOT and its subrecipients have availed themselves of the additional funding provided and have followed the related guidance and requirements that applies to these additional resources.

B. Uniform Administrative Requirements

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found within 2 CFR Part 200 and 2 CFR Part 1201 supersede the Uniform Administrative Requirements for Grants and Cooperative Agreements to State or Local Governments found within 49 CFR Part 18 and the Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations found within 49 CFR Part 19.

49 CFR Part 18 and 19 will apply only to federal grants obligated on or before December 25, 2014. MassDOT requires that 2 CFR Part 200 and 1201 administrative requirements and cost principles will apply to new federal awards issued by federal awarding agencies on or after December 26, 2014. MassDOT also requires that subrecipients comply with MassDOT grant management standards and procedures. MassDOT includes these federal and state requirements in the standard project contracts with subrecipients.

C. Financial Management

As a primary recipient of FTA apportionments to states, and as the state agency designated to administer state program funds for transportation activities in the Commonwealth of Massachusetts, The MassDOT RTD Transit Unit manages the fiscal elements of these programs in accordance with its existing procedures, FTA guidelines, and other applicable state and federal regulations.

1. Accounting Systems

MassDOT maintains a management system of financial reporting, accounting records, internal controls, and budget controls subject to standards specified in federal and state laws enforced by the state Auditor, and the State Office of the Comptroller. Project codes are established immediately upon notification of grant approval to track each project and financial component. The Office of State Comptroller's office submits reimbursement requests to FTA through the Electronic Clearing House Operation (ECHO) system for project expenditures based on the information contained in the Massachusetts Management Accounting and Reporting System (MMARS). Monthly reconciliation against the revenue collected from TrAMS is completed by the MassDOT Fiscal Division.

Each subrecipient is responsible for accurate and complete disclosure of its expenditures and revenues. MassDOT's goal is to reimburse eligible expenses within 28 days of receipt of satisfactory documentation.

Subrecipients are required to establish and maintain an accounting system to which all transportation–related costs, revenues, and operating costs are recorded so that they may be clearly identified, easily traced, and documented.

The fully allocated cost of the public transit program must be clearly identified regardless of the operational nature of the agency serving as the subrecipient. Subrecipients must maintain a financial management system of financial reporting, accounting records, internal controls, and budget controls that enables it to be compliant with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). The MassDOT RTD Transit Unit and the subrecipient are both responsible for documenting and supporting all costs charged to the project. Examples of documentation include, but are not limited to:

- General Ledger Reports
- Payroll Records and Reports
- Time Records
- Invoices for goods and services purchased
- Vouchers

Projects receive reimbursement for no more than the amount of the grant total specified in their grant agreements contract. At its discretion, the MassDOT RTD Transit Unit may amend the end date of a grant agreement if funds remain after project completion at the end of the period of performance.

Subrecipients that receive § 5311 funds and also operate in § 5307 geographical areas must prepare a cost allocation methodology to document how costs are split between urban and rural service. This methodology will be documented in the application and updated annually in subsequent applications and will be documented in invoices for payment.

2. Indirect Cost Procedures

Federal requirements governing the use of indirect costs on federal awards are provided in 2 CFR Part 200, specifically 2 CFR §200.410-.417, .458, .460, 2 CFR Part 200 Appendix VII, and FTA Circular 5010.1E. Indirect costs are those that have been incurred for common or joint purposes benefiting more than one cost objective and not readily identified with a final cost objective without effort disproportionate to the results achieved. The diverse nature of subrecipient organizational and accounting structures may make it difficult to standardize the classification of costs as either direct or indirect. Identification with the federal award versus the nature of the goods/services involved may help distinguish direct from indirect costs of a federal award. However, costs must be consistently charged as either direct or indirect and may not be double charged or inconsistently charged as both. A cost may not be allocated to a federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a federal award as a direct cost. Subrecipients desiring to claim indirect costs under federal awards, other than the de minimis, must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in 2 CFR §200.334, Retention Requirements for Records. Indirect cost proposals must be developed within six months after the close of the agency's

fiscal year, unless an exception is approved by the cognizant agency for indirect costs. Guidance on submission and documentation requirements can be found in 2 CFR Part 200, Appendix VII.

A subrecipient who receives more than $35 million in direct federal funding must submit its indirect cost rate proposal to its cognizant agency. Subrecipients who do not receive more than $35 million in direct federal funding must develop an indirect cost proposal and maintain the proposal and related supporting documentation for audit but are not required to submit the proposal unless specifically requested to do so by their cognizant agency. (Note: When an agency only receives funds as a subrecipient of MassDOT, MassDOT will be the cognizant agency responsible for negotiating the subrecipient's indirect costs.) In such cases, subrecipients must submit their IDRC to MassDOT with their grant application. All indirect cost rate proposals must be accompanied by a "Certificate of Indirect Costs" delineating the indirect cost rate, base, and effective period. The certificate must be signed by an individual at a level no lower than Vice President or Chief Financial Officer of the agency. Guidance on the submission, documentation and format of the Certificate of Indirect Costs can be found at 2 CFR Part 200, Appendix VII.

Subrecipients who do not have a current negotiated or provisional indirect cost rate may elect to use a 10 percent de minimis' rate of modified total direct cost without negotiating a rate or submitting an indirect cost rate proposal. This election must be made at the time of grant application. Appropriate supporting documents are also required depending on whether the de minimis rate or a negotiated rate is requested. The MassDOT RTD Transit Unit will provide technical assistance to subrecipients on the preparation of cost allocation plans when requested.

3. Transportation Development Credits

Transportation Development Credits (TDCs) are a federal transportation funding tool used to meet federal funding match requirements. Instead of using local funds as a cash match for federal awards, subrecipients may request TDCs to be used towards the non-federal matching share of public transportation capital projects. MassDOT RTD Unit has historically reserved TDCs for use by RTAs for 49 USC § 5307 and/or § 5339 capital projects, Typically, MassDOT uses a cash match available under the RTACAP or MAP Programs or directly from the subrecipient to match FTA grant applications. However, in an instance when TDCs are used as local match, the MassDOT RTD Transit Unit would calculate the amount required, record the use of TDCs in the FTA grant application prior to grant approval, track the expenditure as part of the overall project budget, and provide usage and expenditure reporting to MassDOT Fiscal as required.

4. Program Income

Program income is the gross income received by the subrecipient directly generated by a grant supported activity or earned only as a result of the grant agreement during the grant period (the time between the effective date of the grant and the ending date of the grant reflected in the final financial report). Subrecipients must retain program income and apply such income to eligible capital or operating expenses. Some sources of program income may be used for local match when authorized by the MassDOT RTD Transit Unit. Farebox revenues, regardless of when they are earned, must be deducted from the total allowable expenses and cannot be used as local match.

5. Annual Audit

For-profit and not-for-profit subrecipient audit requirements are outlined in each project agreement. State agency and local government audits are conducted by the Commonwealth's State Auditor. MassDOT administration and project grants awarded to a public entity are subject to this process and compliance with 2 CFR Part 200. The Commonwealth's State Auditor issues reports when its audits of local government subrecipients are complete and notifies MassDOT when the reports are available. MassDOT has access to all audit reports and retrieves electronic copies as necessary.

Any subrecipient that expends $750,000 or more during the subrecipient's fiscal year in federal awards from all sources (not just FTA awards) must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR § 200.500. Any MassDOT subrecipient that meets the applicability standards defined above must: (1) Procure or otherwise arrange for the audit required by this part in accordance with §200.509 and ensure it is properly performed and submitted when due in accordance with §200.512 Report submission. (2) Prepare appropriate financial statements, including the schedule of expenditures of federal awards in accordance with §200.510 Financial statements. (3) Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with §200.511 Audit findings follow-up, paragraph (b) and §200.511 Audit findings follow-up, paragraph (c), respectively. (4) Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part. The auditee must prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited. The financial statements must be for the same organizational unit and fiscal year that is chosen to meet the requirements of 2 CFR § 200. However, entity-wide financial statements may also include departments, agencies, and other organizational units that have separate audits The auditee must also prepare a Schedule of Expenditures of Federal Awards (SEFA) for the period covered by the auditee's financial statements which must include the total federal awards

expended as determined in accordance with 2 CFR § 200.502. The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings. The auditee must also prepare a corrective action plan for current year audit findings. The summary schedule of prior audit findings and the corrective action plan must include the reference numbers the auditor assigns to audit findings. Since the summary schedule may include audit findings from multiple years, it must include the fiscal year in which the finding initially occurred.

Subrecipients will submit required annual audits to MassDOT for review. The audit must be completed, and the data collection form/report package required by the Federal Audit Clearinghouse submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period (whichever is sooner). If the due date falls on a Saturday, Sunday, or federal holiday, the reporting package is due the next business day. Audits are reviewed annually by MassDOT staff in accordance with FTA Circular 5010.1E, as well as during site visits and oversight desk reviews. These questions are located on the site visit checklists. The MA State Auditor issues reports when its audits of local government subrecipients are complete and notifies MassDOT when the reports are available. MassDOT has access to all audit reports and retrieves electronic copies as necessary.

Subrecipients spending less than $750,000 in federal funds during the fiscal year are exempt from federal audit requirements. However, records must be retained and available for review or audit upon request.

D. Coordinated Public Transit Human Services Transportation Plans

To comply with Federal Transit Law, as amended by the Infrastructure Investment and Jobs Act (IIJA), MassDOT requires that projects selected for funding under the Seniors and Individuals with Disabilities (§ 5310) –formerly also under § 5316 (JARC) and § 5317 (New Freedom) – be derived from a locally developed, Coordinated Public Transit-Human Services Transportation Plan (CHST) and that the plan be developed through an open and transparent public process. This process includes participation from a wide range of stakeholders including but not limited to representatives of the public, private and non-profit transportation providers, seniors, persons with disabilities, human services providers, employers, medical facilities, and others. These plans identify transportation needs of individuals with disabilities, older adults, and people with low income, provide strategies for meeting these needs, and prioritize transportation services for funding and implementation. MassDOT requires a plan update on average every 3 years. In Massachusetts the following Regional Planning Organizations (RPO) are responsible for the CHST plan update:

Berkshire

Pioneer Valley
Central Massachusetts
Montachusett
Merrimack Valley
Northern Middlesex
Boston Region
Old Colony
Southeastern Massachusetts
Cape Cod
Franklin
Martha's Vineyard Commission
Nantucket

Between 2014 and 2015 MassDOT supported the development of 16 Regional Coordinating Councils (RCCS) that cover the entire Commonwealth. MassDOT provides technical assistance to RCCs, which are voluntary groups of local stakeholders that come together for discussion of mobility issues on an ongoing basis. RCC meetings provide an opportunity for:

- Identifying unmet needs, articulating regional priorities, and building coalitions around new projects in transportation;
- Coordinating existing services at local levels in order to serve more people and increase sustainability and equity of services;
- Communicating local unmet needs and mobility priorities to regional planning organizations (for their CHST plan updates), MassDOT, the Executive Office of Health and Human Services (EOHHS), and other state agencies;
- Raising awareness about the important role community transportation services play in the economic and social well-being of every citizen of the Commonwealth.

As part of the CHST development and federal application process, applicants coordinate their services with other public and private providers. Applicants also identify the agency or local plans that include their project. Coordination with all transportation providers in the same geographic area, including private sector providers, and Tribes significantly impacts an applicant's success in the selection process.

E. State Administration and Technical Assistance

Ten percent of the State's § 5310 and 5311 annual apportionments may be used by the MassDOT RTD Transit Unit for administration, planning and technical assistance. No State administrative costs may be incurred for RTAP. At its discretion, MassDOT will apply for up to ten percent of flexible funds transferred into a § 5310 or 5311 grant. Procedures for documenting state administration expenditures for FTA funded programs are subject to the requirements of the state's Procurement Policies and Chart of Accounts.

F. Civil Rights

MassDOT's enabling legislation includes the non-discriminatory use of federal funds by recipients of MassDOT assistance, including their sub-recipients and contractors. MassDOT ensures non-discrimination through oversight of subrecipient implementation of required civil rights regulations and policy. Compliance reviews and assessments are conducted to determine if the subrecipient's required efforts are in compliance as represented to MassDOT.

Subrecipients submit Certifications and Assurances prior to contract signature and annually thereafter. These include:

- FTA Certifications and Assurances
- Nondiscrimination Assurance
- Assurance of Nondiscrimination on the Basis of Disability
- Protections for Private Providers of Public Transportation

The appropriate civil rights disclosure is included on the inside cover of the MassDOT Community Transportation Grant Application and civil rights clauses are included in subrecipient agreements. Ongoing oversight is provided through desk reviews and/or site visits to subrecipients. Subrecipient reviews assess compliance with Civil Rights issues such as discrimination, public involvement, staff training, employment complaint handling and dispositions, proper notification, and accessibility of services.

Potential subrecipients serving significant minority populations are reached through the MassDOT Title VI Planning Process and the Coordinated Public Transit-Human Services Transportation Plan process and by broad distribution of grant funding announcements and application materials. MassDOT conducts "Successful Grant Writing" training to assist applicants completing the MassDOT Community Transportation Grant Application.

Through annual grant agreements, subrecipients agree to comply with all applicable civil rights statutes and regulations. These include Title VI of the Civil Rights Act, Equal Employment Opportunity, Disadvantaged Business Enterprise, and Americans with Disabilities Act. Each recipient must have a signed DOT Title VI Assurance and FTA Civil Rights Assurance on file with MassDOT. A summary of this information is provided to the FTA as required in the FTA Title VI Program Update report every three years.

1. Title VI

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin (including limited English proficiency) in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal

financial assistance." (42 U.S.C. § 2000d).

1.1 Program Report

MassDOT prepares a Title VI Program for submission to the FTA every three years. The document includes the FTA Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements which binds MassDOT to all civil rights requirements. The report also includes the organizational structure of the Office of Diversity and Civil Rights (ODCR), the roles and responsibilities of its staff, as well as the process for handling and disposition of complaints and all other necessary program components as established in FTA's Title VI Circular 4702.1B. The Title VI Coordinator has a direct report responsibility to the Secretary of Transportation. The Title VI Specialist handles the day-to-day execution of Title VI activities. The complaint log is maintained by the ODCR Investigations Unit which is also responsible for conducting complaint intakes and investigating highly complex and/or sensitive discrimination complaints and preparing reports and recommendations based on investigatory findings.

1.2 General Requirements and Implementation Procedures

MassDOT's ODCR, in collaboration with the Rail and Transit Division staff, requires that subrecipients annually sign the nondiscrimination assurance included in FTA's notice of certifications and assurances. MassDOT shall submit its signed assurance to FTA and shall retain assurances from subrecipients. Subrecipients will be required to send a nondiscrimination assurance as part of their annual notice of certifications and assurances, which accompanies their application for Federal financial assistance.

MassDOT also gathers information from subrecipients during the Compliance and Performance Review site visits and any findings are documented in the review packages. If findings are documented, A Summary of Findings and Recommendations Report is created and provided to the subrecipient with a description of the required corrective action. The subrecipient is required to comply with and provide the corrective action by a specific date also communicated to the subrecipient in the Summary of Findings and Recommendations Report. Each of the federal-funding section specific Compliance and Performance Review Packages cover Title VI, Disadvantaged Business Enterprise (DBE) and other related federal compliance topics and other topics such as Americans with Disabilities Act (ADA), Limited English Proficiency (LEP) plans, Equal Employment Opportunity (EEO), etc.

MassDOT shall maintain for itself and its subrecipients a description of any complaints alleging discrimination in areas including, but not limited to, service delivery, lack of access to meetings and denial of opportunity, filed within the preceding year, together with a statement of status or outcome of each such complaint. Every effort will be made to resolve complaints informally at the state, region, sub-recipient and/or contractor level.

Each subrecipient in their application to MassDOT Rail and Transit must provide the estimated number of minority group persons that it will serve. This information can be obtained by any appropriate means that will ensure inclusion of the numbers as part of each individual application. It is not envisioned that an organization be required to do a detailed head count or use elaborate means to gather the information. Data gathering procedures will be reviewed regularly to ensure sufficiency of the data in meeting the requirements of Title VI program administration.

1.3 Assisting Subrecipients

MassDOT requires subrecipients to meet federal Title VI compliance by developing and implementing a Title VI Program MassDOT provides technical assistance in the form of plan templates and other resources for the subrecipients to use in order to develop a Title VI plan, MassDOT also organizes, conducts and leads training efforts in order to provide more direct guidance and answer remaining questions that may be region-specific.

MassDOT ODCR has a dedicated staff member to work on Title VI issues on a full-time basis. The Title VI Specialist manages all elements of MassDOT's Title VI program. The program covers the requirements, procedures, actions and sanctions through which MassDOT enforces its adherence to Title VI. The Title VI Specialist is responsible for developing, implementing, coordinating, monitoring and ensuring compliance with the regulations in day-to-day management as well as the annual reporting as required by law. The Specialist is involved with various stages of planning and project development to assist in preventing and/or correcting discriminatory practices. The Specialist works with all subrecipients in order to develop a Title VI programs that comply with federal requirements.

MassDOT provides detailed information about measures subrecipients must take to comply with Title VI, and provides assistance to subrecipients in implementing them. These measures are:

- Providing notice to beneficiaries of protection under Title VI (subrecipients that provide transportation service will be asked to post the notice on all vehicles)
- Developing complaint procedures and keeping a record of Title VI investigations, complaints and lawsuits
- Providing instruction on developing a language access plan and public participation plan.

MassDOT works with subrecipients in order to streamline the complaint handling process throughout the state to ensure the information communicated to a complainant is consistent and that a complainant be able to file a complaint directly with MassDOT or FTA/FHWA, should they desire to do so.

1.4 Sub-Recipient Reviews

The MassDOT Title VI Coordinator and Specialist, in collaboration with the Rail and Transit Division, the FTA and/or the FHWA, conducts compliance reviews of all subrecipients of USDOT funding through MassDOT. They review Title VI plans and reports to determine if subrecipients are in compliance with Title VI.

MassDOT monitors subrecipients for compliance with Title VI to ensure that subrecipients are providing notice to beneficiaries of protection under Title VI, that they have proper complaint procedures and keep a record of all Title VI investigations, complaints, and lawsuits, and that they provide meaningful access to individuals with limited English proficiency.

MassDOT performs periodic subrecipient reviews. Priority for conducting reviews will be given to subrecipients of federal financial assistance with the greatest potential of impact on those groups covered by Title VI. Copies of completed reports will be included in annual MassDOT Title VI Update Report. The program areas to be covered in these reviews will be determined based on previous subrecipient report submissions, complaint data received and other factors to be developed over this three year cycle.

1.5 Limited English Proficiency

MassDOT has established a Language Access Plan to provide access to limited English-speaking populations. Each subrecipient develops its own Language Access Plan as appropriate for the area in which the transit system operates. All recipients/subrecipients must complete a four-factor analysis on a bi-annual basis summarizing all of its programs. These factors include:

- The number or proportion of limited English proficiency persons in the service area who are likely to be served by the transit system;
- The frequency with which LEP persons come into contact with the transit system;
- The nature and importance of the service provided to LEP persons, and
- The resources available to the transit system and the cost to provide language assistance.

The Language Assistance Plan then describes the measures it currently uses or might use to address the needs of LEP persons. Staff training is an integral part of a successful Language Assistance Plan. Finally, the Plan describes how notice to LEP persons about available language assistance is publicized.

MassDOT publishes information about planned transportation improvements in major and community newspapers to solicit feedback from affected community members. MassDOT has held workshops to engage community members and facilitate a discussion of concerns. MassDOT holds civil engagement meetings, general public meetings, and establishes advisory groups that include community representatives and other interested

individuals. In addition, MassDOT continues to reach out to minority and low-income populations and offer services when requested.

2. Disadvantaged Business Enterprise (DBE)

MassDOT's ODCR and the MassDOT RTD Transit Unit require that subrecipients are in compliance with 49 CFR Part 26. All FTA subrecipients who anticipate that they will award contracts totaling over $250,000 during the federal fiscal year (October 1–September 30) are required to have a DBE program administered under 49 CFR Part 26. Contracts to purchase transit vehicles do not count toward the $250,000 total. MassDOT's ODCR and the MassDOT RTD Transit Unit provide technical assistance and training to subrecipients to ensure compliance with all 49 CFR Part 26 requirements.

3. EEO/Affirmative Action (FTA Circular 4704.1)

Consistent with the requirements of FTA Circular 4704.1, MassDOT shall include both quantitative and qualitative content that ensures that data tracking and internal audits and subrecipient monitoring are aligned with the annual FHWA reporting requirements. The MassDOT annual update shall include revisions and status regarding workforce utilization analysis, goals and timetables, adverse impact analysis (four-fifths rule), problem areas, results achieved, and corrective actions taken based on the analyses and audit/monitoring outcomes. This data shall be collected annually as part of MassDOT's annual program review.

G. Americans with Disabilities Act (ADA) of 1990 and Section 504 of the Rehabilitation Act of 1973, as amended

The MassDOT RTD Transit Unit notifies each subrecipient at the time of the award that they must comply with all applicable federal and state laws regarding ADA and Section 504 requirements. As part of the Community Transit Grant Program, the MassDOT RTD Transit Unit conducts state-wide orientation and training outreach meetings with subrecipients when the application opens and again when awards are announced. In these meetings, specific sections are devoted to ADA compliance. Additionally, the MassDOT RTD Transit Unit conducts triennial Compliance and Performance site visits of subrecipients, and periodic checks of websites and other media to ensure that subrecipients are complying with ADA and 504 requirements. This process employs the Compliance and Performance Review document which has an ADA specific section. In addition to the ADA specific section, additional ADA questions are addressed separately in sections specific to Vehicle Maintenance, Facility Maintenance and Service provision. Each subrecipient is expected to have and follow a comprehensive ADA policy which includes but is not limited to:

- Regular staff training on accessibility issues.
    - Accessible vehicles available to provide service (not all vehicles have to be accessible)

- A service animal policy
- Paratransit service policy (if applicable)
- Complaint processes and policies
- Other accessibility policies

MassDOT analyzes all information, plans data, reports and certifications collected from subrecipients as part of this monitoring process, provides follow-up, and issues any needed corrective actions and provides training to subrecipients to ensure that issued corrective actions are implemented.

H. Program Oversight

1. Monitoring and Oversight

MassDOT follows Federal guidelines contained in 2 CFR Parts 200 and 201, FTA Circulars 4220.1G, 4710.1, 5010.1F, 9070.1H § 5310 , 9040.1H § 5311, and 9050.1A , § 5307 and others, along with the FTA Master Agreement and Annual Certifications and Assurances in the management and oversight of its public transportation programs. The MassDOT RTD Transit Unit is proactive in ensuring that subrecipients comply with federal requirements, monitoring all project activities, services, project administration and management practices supported with federal and/or state funds, to ensure compliance with Federal and state regulations and the satisfactory continuing control of federally funded assets. Tools used include but are not limited to application review, review of quarterly/annual reports, meetings with providers, vehicle/facility/service inspections and reviews, and comprehensive triennial site visits. MassDOT's Transit Division has implemented a risk-based compliance monitoring strategy to ensure that all subrecipients are meeting federal program requirements. This approach allows MassDOT to prioritize resources and oversight activities based on the relative risk level associated with each subrecipient.

To lead this effort, the MassDOT RTD Transit Unit has designated the Manager of Compliance and Oversight whose principal responsibility is to manage and oversee ongoing compliance efforts by conducting both initial and ongoing assessments of each subrecipient's risk of noncompliance, considering factors such as the size and complexity of Federal awards; prior audit findings; history of compliance; the adequacy of financial management and internal control systems; staff capacity; and changes in programmatic, organizational, or operational conditions.

Based on these risk assessments, the MassDOT RTD Transit Unit tailors the type, scope, frequency, and intensity of monitoring activities. Monitoring methods may include desk reviews, on-site reviews, technical assistance, and targeted follow-up actions. Subrecipients assessed as higher risk are subject to increased oversight and more frequent or comprehensive reviews, while lower-risk subrecipients are monitored through less intensive means, consistent with Federal requirements. The MassDOT RTD Transit Unit documents all monitoring activities, issues written findings and required corrective actions when applicable, and tracks resolution to

ensure timely remediation of identified deficiencies. This risk-based approach supports effective stewardship of Federal funds and promotes compliance, accountability, and continuous improvement among subrecipients.

With respect to subrecipient type, the MassDOT RTD Transit Unit has adopted a tiered, risk-based monitoring schedule. Regional Transit Authorities (RTAs) for which the MassDOT RTD Transit Unit has direct oversight responsibility are reviewed on a triennial basis. Subrecipients that are new to the program receive a full compliance review within three years of funding application approval. For subrecipients that have been previously reviewed, The MassDOT RTD Transit Unit conducts a desk review to determine whether an additional on-site or comprehensive review is warranted. Factors that may elevate a subrecipient's risk profile include inaccurate or late financial reporting or invoicing, delays or deficiencies in contract execution, and inaccurate or untimely vehicle-specific reports.

The MassDOT RTD Transit Unit has developed a Compliance and Performance Review Package which it utilizes to conduct these comprehensive subrecipient compliance reviews. In addition to identifying whether a subrecipient is compliant, these Compliance and Performance Review Packages also serve to identify and promote good practices, pinpoint training and technical assistance needs, and provide an opportunity for valuable in-person interaction with subrecipients. In conjunction subrecipient's section-specific compliance questions, the Compliance and Performance Review Packages provide a list of documents to be reviewed prior to and during the site visit. The questions specifically address FTA and MassDOT requirements and good practices related to the funding the subrecipients receive and the services they provide, and also include questions on vehicle inventory and maintenance plans and records for subrecipients receiving capital funding assistance for equipment and/or facilities, Drug and Alcohol testing regulations, when applicable, and compliance with 2 CFR PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.

Once a subrecipient has been identified for and notified of a Compliance Review, they are provided a copy of the review package which lists the requested materials and as well as the steps necessary to completing the review. A member of the MassDOT RTD Transit Unit Compliance staff follows up with technical assistance and guidance as necessary to assist subrecipients in achieving compliant programs.

The primary goal of the Compliance Review is to ensure that subrecipients are executing a successful transit program that fully meets both federal and state requirements. In cases where technical assistance and consultation do not achieve compliance, the MassDOT RTD Transit Unit may develop a corrective action plan with the subrecipient. If compliance is not achieved through a corrective action plan, the MassDOT RTD Transit Unit may temporarily withhold cash payments pending correction of the deficiency by the subrecipient and/or disallow all or part of the cost of the activity or action not in compliance; wholly

or partly suspend or terminate the current award for the subrecipients or subcontractor's program; withhold further awards for the program; and/or take other remedies that may be legally available.

In addition to conducting the compliance review procedures detailed above, MassDOT RTD Transit Unit staff has created Grant Summary Sheets to provide technical assistance to potential and current grant subrecipients. Because these documents are meant to be used as a guide to help subrecipients understand federal and state requirements in order to receive funding and are meant as a summary and not an all-inclusive guidance document, the MassDOT RTD Transit Unit also encourages subrecipients to refer to the specific section Circular, the annual Certifications, Assurances and Agreements, the Additional Terms & Conditions in their contract, or other documentation provided by the MassDOT RTD Transit Unit or the FTA.

I. Grants Management

1. Grant Management System

Beginning in 2013, MassDOT entered into an agreement with a contractor to provide a Grant Management System specifically tailored to transportation and related services. That product, the BlackCat Grant Management System® for Transportation is a web-based, hosted solution designed around a customizable off-the-shelf core specifically designed for Departments of Transportation.

2. Transfer of Funds

The MassDOT RTD Transit Unit follows the § 5310 FTA apportionment schedule for urbanized and rural areas. It is not the Units's practice to transfer funds among these areas. On occasion, the Federal Highway Administration (FHWA) will give Surface Transportation Program funds to the MassDOT RTD Transit Unit that are in turn awarded to rural transit systems for projects identified in the CIP. Upon request, the MassDOT RTD Transit Unit will assist when the funds must be transferred from FHWA to the§ 5311 program. Once the funds are transferred, the funds are managed like § 5311 programs.

3. Reporting

Subrecipients are required to prepare a variety of reports on a quarterly or annual basis. Quarterly reporting may include a project narrative, detail of operating expenditures, expenditures by service type, statistical summary by service type, Disadvantaged Business Enterprise, complaints, and/or capital expenditures. Annually subrecipients are also required to submit updated asset inventories and for § 5310 subrecipients, program measures data including mileage, vehicle conditions, condition assessments and major repairs.

The MassDOT RTD Transit Unit compiles information from subrecipients and submits the following standard FTA reporting elements for all programs:

- Annual program of projects status reports.

- Milestone activity reports.
- Program measures.
- DBE reports.
- DAMIS

In addition, the MassDOT RTD Transit Unit collects and reports the following program specific information:

§ 5310 – The gaps in service and the number of rides provided that impact availability of transportation services for seniors and individuals with disabilities as a result of traditional Section 5310 projects implemented in the current reporting year.

The increases or enhancements related to geographic coverage, service quality, and/or service times; additions or changes to physical infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles; and actual or estimated number of rides (as measured by one-way trips) that impact availability of transportation services for seniors and individuals with disabilities; as a result of other Section 5310 projects implemented in the current reporting year;

The MassDOT RTD Transit Unit does not set productivity, cost effectiveness or service standards for any subrecipients of the § 5310, § 5311 and § 5339 Programs.

The MassDOT RTD Transit Unit submits reports to FTA on § 5310,§ 5311 and § 5339 projects in compliance with the schedule required by FTA. The MassDOT RTD Transit Unit also prepares and submits required annual NTD reporting to FTA as applicable and based on information provided by subrecipients through quarterly reports.

Effective November 12, 2020. OMB revised 2 CFR part 170 to require agencies to report Federal awards that equal or exceed the micro-purchase threshold as set by the FAR at 48 CFR part 2, subpart 2.1. Consistent with the FAR threshold for subcontract reporting, OMB raised the reporting threshold for subawards that equal or exceed $30,000. The MassDOT RTD Transit Unit provides subaward reporting to FTA as applicable.

4. Project Closeout

Projects must be completed, and agreements with subrecipients closed in accordance with the project contract terms. At its discretion and with FTA's approval, the MassDOT RTD Transit Unit may grant extensions to extend period of performance end dates in which case the MassDOT RTD Transit Unit's Standard Contract is extended as well. The MassDOT RTD Transit Unit submits budget revisions for approval of Period of Performance extensions to FTA. I. Final billing must be submitted by the end of the state fiscal year.

The MassDOT RTD Transit Unit monitors project activity and balances and identifies grants for closeout each fiscal year. The project close-out process will

verify that all activities or deliverables have been satisfactorily completed, requested funding has been reimbursed, all compliance requirements have been satisfactorily addressed, and any funds to be de-obligated have been identified. All closeout documents or reports, including MPR and FFR, will be submitted in TrAMS to FTA within the required ninety (90) days following initiation of a grant closeout.

5. Annual Certifications and Assurances

The FTA Certifications and Assurances (C&A's) are published annually. MassDOT signs the FTA C&A's electronically in FTA's TrAMS system. Each year, MassDOT also requires subrecipients of FTA funding to sign the FTA C&As with project contracts, and those with active projects to sign annually thereafter.

J. Procurement

The MassDOT RTD Transit Unit carries out all procurement transactions in accordance with the provisions of 49 USC §5323(j), FTA Circular 4220.1G and the laws of the Commonwealth. Procurement records including all bidding documents and award contracts are maintained in accordance with FTA Circular 5010.1F. Procurements may be conducted directly by the MassDOT RTD Transit Unit or by subrecipients with MassDOT oversight, from an existing contract with another governmental agency, or through subrecipient participation in a MassDOT RTD Transit Unit coordinated statewide procurement process.

The MassDOT RTD Transit Unit's role is to ensure procurements are made competitively and in compliance with federal and state procurement regulations and policies. The MassDOT RTD Transit Unit reviews all bid documents and specifications prepared by subrecipients to assure compliance with federal standards. The MassDOT RTD Transit Unit also requires pre-approval of any subrecipient purchase from another agency contract.

Where applicable, the MassDOT RTD Transit Unit coordinates with the Commonwealth of Massachusetts Operational Services Division (OSD) to solicit a statewide, multi-vendor, multi-vehicle contract for transit vehicles that contains all federal and state requirements. This vehicle contract solicitation is based on subrecipient needs and available to all eligible subrecipients supported by federal capital grants. The MassDOT RTD Transit Unit may, at its discretion, include options in vehicle contracts based on an evaluation of known need by subrecipients and RTAs.

Even though the MassDOT RTD Transit Unit may collect a debarment and suspension certification from the prospective third-party contractor or include a clause in the third party contract requiring disclosure, the Unit requires that the subrecipient check the System Award Management (SAM) maintained by the GSA before awarding a third party contract.

Requests for offers to supply rolling stock, steel, iron, or manufactured products

shall provide for receipt of certifications from offerors indicating compliance with Buy America or qualification for exception to Buy America requirements, per 49 USC §5323(j) and 49 CFR Part 661, including compliance with IIJA Buy America, Build America and any waivers as applicable.

K. Satisfactory Continuing Control

1. Certifications and Assurances

All subrecipients must sign the FTA certifications and assurances annually in GrantsPlus, and when part of an FTA grant application. The MassDOT RTD Transit Unit when submitting State grant applications to FTA, also executes Certifications and Assurances both on behalf of the State and with respect to the local subrecipients. Violation of a certification or assurance (agreement) by an applicant or subrecipient may require corrective measures and penalties, including debarment from receiving further federal assistance for transportation purposes. Subrecipient compliance is confirmed during site visits and/or desk reviews.

2. Charter Service and Exclusive School Bus Service

Charter Service: All FTA subrecipients are prohibited under 49 CFR Part 604 from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service.

Services that do not meet the definition of charter service and, therefore, are not considered charter service by FTA are: 1. Service requested by a third party that is irregular or on a limited basis for an exclusive group of individuals and the grantee does not charge a premium fare for the service and there is no third party paying for the service in whole or in part; 2. Shuttle service for a one-time event if the service is open to the public, the itinerary is determined by the grantee, the grantee charges its customary fixed route fare and there is no third party involvement. 3. When a university pays the subrecipient a fixed charge to allow all faculty, staff, and students to ride the transit system for free so long as the grantee provides the service on a regular basis along a fixed route and the service is open to the public. 4. When the subrecipient sees a need and wants to provide service for a limited duration at the customary fixed route fare.

FTA regulations provide for clear exemptions and exceptions for transit systems to provide charter service over and above regular schedules. To use an "Exemption" or "Exception" category as stipulated in 49 CFR 604 a subrecipient must obtain advance approval from the MassDOT RTD Transit Unit. In the highly unlikely situation where charter service is performed in strict accordance with FTA requirements, the MassDOT Rail and Transit Unit provides reporting to FTA through FTA Charter Reporting https://ftawebprod.fta.dot.gov/CharterReporting/Default.aspx

The MassDOT RTD Transit Unit has included charter service requirements in its contracts with subrecipients. Subrecipients must comply with this charter

regulation if receiving FTA funds.

The MassDOT RTD Transit Unit reviews compliance with the charter rule during site visits and desk reviews. When complaints are received alleging unfair competition in regard to charter business, The MassDOT RTD Transit Unit investigates the allegation. The subrecipient is contacted to verify if charter service is taking place and that the proper process has been followed.

School Bus: Per FTA requirements, subrecipients may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operations (49 CFR Part 605). Subrecipients may enter into a school bus agreement in accordance with 49 CFR Part 605, Subpart B. The agreement must be approved by the FTA Administrator and a copy of the approval provided to the MassDOT RTD Transit Unit before school bus operations commence. Subrecipients agree to comply with the school bus operations regulations as part of project contracts and annual certifications and assurances.

The prohibition against the use of buses, facilities and equipment shall not apply to tripper service. Tripper service is defined as, "regularly scheduled mass transportation service which is open to the public, and which is designed or modified to accommodate the needs of school students and personnel, using various fare collections or subsidy systems." Buses used in tripper service must be clearly marked as open to the public and may not carry designations such as "school bus" or "school special". These buses may stop only at a regular service stop. All routes traveled by tripper buses must be within a Subrecipient's regular route service, as indicated in their published route schedules. Subrecipients are not required to report tripper service to the MassDOT RTD Transit Unit as service occurs. Compliance with school transportation regulations will be reviewed by the MassDOT RTD Transit Unit during triennial oversight reviews.

3. Vehicle/Equipment Insurance, Use, Maintenance and Disposition

Legal ownership of all vehicles purchased with state or FTA program funding for all subrecipients under § 5310 and § 5311 is retained by the MassDOT RTD Transit Unit. Legal ownership of all vehicles purchased with FTA program funding for rural RTAs under § 5339 is also retained by the MassDOT RTD Transit Unit. When titling a vehicle, subrecipients are listed as "Registered Owner," responsible for licensing and insurance. When insuring the vehicle, the MassDOT, RTD Transit Unit at a minimum, requires that the subrecipient maintain the following coverages:

Liability of $1,000,000 per accident, bodily injury and property damage combined.
Collision subject to a deductible of not more than $1,000
Comprehensive subject to a deductible of not more than $1,000
Subrecipient shall maintain the following umbrella limits:
- $2,000,000 per occurrence
- $2,000,000 aggregate

Self-insured retention not to exceed $10,000.

During periodic on site and virtual reviews, the MassDOT RTD Transit Unit also discusses with its subrecipients the insurance coverage for vehicles that are stored and maintained in non-federally funded facilities to ascertain whether these facilities are in a flood zone and if so, what insurance protections exist for vehicles located in these flood zone areas in the event of flooding.

Subrecipients will title the equipment and the MassDOT RTD (lienholder code: C40410) will be named first lienholder. MassDOT RTD will be the entity to release the lien when it is deemed appropriate.

The MassDOT RTD Transit Unit has established Useful Life Benchmarks (ULBs) for each vehicle class in its Transit Asset Management Plan (TAM) and updates. These ULBs are referenced in subrecipient vehicle contracts. For additional information, subrecipients can refer to the MassDOT RTD Transit Unit Asset Management Plan or contact MassDOT RTD.

As a condition of receiving state funding, subrecipients shall maintain the project equipment at a high level of cleanliness, safety, and mechanical soundness. At a minimum, subrecipients will perform vehicle maintenance according to the manufacturer's requirements. At a minimum, the MassDOT RTD Transit Unit shall inspect maintenance records and the condition of vehicles during triennial site visits and shall have the right to conduct periodic inspections for the purpose of confirming proper maintenance pursuant to this section.

Federal regulations require that all vehicles and/or related equipment acquired be used for its intended program purpose. With prior MassDOT RTD Transit Unit approval, subrecipients may coordinate and assist in providing incidental services if such service does not conflict with the provision of transit services or result in a reduction of service to transit passengers. Subrecipients may not alter any equipment purchased for the provision of incidental service. The MassDOT RTD Transit Unit monitors all subrecipients for compliance to verify that incidental service is not interfering with passenger transport. Vehicle checks occur during the triennial site inspection (physical inspection) of equipment, and more often at the MassDOT RTD Transit Unit's discretion, to ensure that equipment has not been altered to suit non-public transportation purposes. In the event that there is a violation of these requirements that is not readily resolved, the MassDOT RTD Transit Unit will meet with the subrecipient to determine the best means for achieving the program's objectives.

At the beginning of each calendar year, subrecipients shall submit written certification that the project equipment is still being used in accordance with the terms of the project contract and that no part of the local contribution to the project has been refunded or reduced. This certification, along with the following submittals/updates, must be made through the BlackCat system:

1) Updated vehicle mileage,

2) Updated list of equipment inventory,

3) Certification and description of preventive maintenance,

4) Driver training certification,

5) Proof of insurance, and

6) Latest financial statement.

Subrecipients may purchase the federal interest at any time before the end of the equipment's useful life. If this occurs, the subrecipient is required to pay the federal share of the equipment's current fair market value to the MassDOT RTD.

The MassDOT RTD Transit Unit may also decide to release legal ownership prior to the end of the useful life if:

- It has been documented that the vehicle is unreliable and the anticipated life cycle costs do not warrant continued operation of the vehicle.
- Based on reduced environmental impacts, it is deemed to be in the best interests of the public
- Early retirement allows for transit investment in new technologies expected to benefit the industry and the public.

If the MassDOT RTD Transit Unit allows the disposition of a vehicle before the end of its useful life due to any of these circumstances, the MassDOT RTD Transit Unit notifies FTA in writing and follows FTA's disposition instructions in cooperation with the subrecipient.

When an accident occurs for a vehicle which has not reached the end of its useful life and which eliminates a vehicle from further operations, the MassDOT RTD Transit Unit notifies FTA of this occurrence and works with FTA on a case by case basis to determine whether to reinvest the insurance proceeds toward the purchase of a replacement vehicle or reimburse FTA for the federal share of the fair market value (FMV) of the vehicle. The title for the new vehicle is retained by the MassDOT RTD. A replacement vehicle must be a similar type and of equal or greater value than the one damaged. The MassDOT RTD Transit Unit has implemented a new process for disposition of any vehicle and/or equipment that has reached the end of its minimum useful life in compliance with the Federal Infrastructure Investment and Jobs Act (IIJA). For vehicles which have reached the end of their minimum useful life whose value is $10,000 or less, MassDOT RTD will release title and allow the subrecipient to retain the proceeds for transit use. For vehicles which have reached the end of their minimum useful life but still retain a market value (as determined by an independent third-party assessment) in excess of $10,000, The MassDOT RTD Transit Unit now requires that subrecipients return the federal share of the value in excess of $10,000 to MassDOT RTD. Upon receipt and verification of this repayment, MassDOT RTD will return the funds to the federal government through pay.gov, and release title for the asset to the subrecipient.

4. Real Property Insurance, Maintenance and Disposition

Section 102 of the Flood Disaster Protection Act of 1973 (FDPA) prohibits the Federal government from providing funds for acquisition or construction of buildings located in a special flood hazard area (100- year flood zone) unless the owner of the property first has obtained flood insurance. For projects that include real property acquisition and/or real property construction/ improvements funded pursuant to an FTA project, the MassDOT RTD Transit Unit first evaluates the flood zone status of that property during the environmental review of the project. For projects that are located in a special area subject to flood zone hazards the MassDOT RTD Transit Unit will require that recipients obtain flood insurance as made available under the National Flood Insurance Act of 1968. In addition to flood insurance as applicable, The MassDOT RTD Transit Unit requires that subrecipients insure all federally and state funded real property at sufficient levels to protect and replace the real property. The MassDOT RTD Transit Unit will monitor insurance policies annually and during onsite oversight reviews to verify that federally funded facilities and property are properly insured.

In addition to insurance coverage, the MassDOT RTD Transit Unit requires subrecipients who have federally funded real property improvements to develop a facility maintenance plan. The MassDOT RTD Transit Unit monitors the maintenance of the facility during triennial and periodic oversight reviews. If the subrecipient no longer needs the property for the originally authorized purpose, the MassDOT RTD Transit Unit requires that the subrecipient immediately notify the MassDOT RTD Transit Unit of this situation and obtain disposition instructions in consultation with FTA.

L. Environmental Review of Projects under NEPA Related Laws

The National Environmental Policy Act of 1969 (NEPA) requires agencies using federal funds to integrate environmental values into their decision-making processes by considering the environmental impacts of their proposed actions and reasonable alternatives to those actions. FTA's environmental regulations (23 CFR Part 771) require different levels of analysis and documentation for the various types of projects funded through its programs. Most projects and activities funded through the § 5310, 5311, and 5339 programs do not normally involve significant environmental impacts. The MassDOT RTD Transit Unit assists subrecipients with determining the appropriate CE category or other level of environmental review for proposed projects.

All projects and activities must fit into one of the following categories to determine the appropriate level of environmental review: Categorical Exclusions (CE) These projects, also known as CEs, are actions that do not individually or cumulatively have significant environmental effects or impacts and are excluded from the requirement to prepare an environmental assessment (EA) or environmental impact statement (EIS) when there are no unusual circumstances (40 CFR 1501.4, 23 CFR 771.118). A CE must capture the entire proposed action, which includes all connected actions (see Council on Environmental Quality,

"Final Guidance on Establishing, Applying, and Revising Categorical Exclusions under NEPA," 75 FR 75628, 75632, Dec. 6, 2010). FTA regulations provide for two sub-types of CEs: 1. C-List CEs (so called because they appear under the FTA regulations at 23 CFR 771.118(c)): these require an FTA Region 1 CE Work Sheet. The C-list CEs require an adequate description of the project so FTA Regional staff can verify that the CE applies and that other environmental requirements are met. Given the nature of the CEs listed under 23 CFR 771.118(c), documentation demonstrating compliance with environmental requirements other than NEPA, such as Section 106 of the National Historic Preservation Act (Section 106) or Section 7 of the Endangered Species Act, may be necessary before FTA can approve the CE.

C-list CEs (in 23 CFR 771.118(c)) include activities and projects which have very limited or no environmental effects at all, such as: a. Planning; b. Technical Studies; c. Preliminary Design Work; d. Program Administration; e. Operating Assistance; f. Transit Vehicle Purchases;

D-List CEs (in 23 CFR 771.118(d)) normally qualify for a CE, but are projects that involve more construction and greater potential for off-site impacts. D-list CEs normally require documentation to verify the application of a CE is appropriate (i.e., the action meets the criteria established in 23 CFR 771.118(a) and (b)). In general, the narrative documentation for CEs should be brief and can reference a more detailed technical study on a particular environmental topic, if necessary. This should include documents useful to decision-makers that: (1) focus on issues pertinent to the question of environmental importance; and (2) support the determination that there is no potential for a significant environmental impact. Examples of D-list CEs may include: a. New Construction; b. Expansion of Transit Terminals; c. New/expanded Storage and Maintenance Garages; d. Office Facilities; e. Parking Facilities. Experience has shown that these projects can be built and operated without causing significant impacts if they are carefully sited in areas with compatible land use where the primary access routes are adequate to handle the additional transit vehicle traffic. These construction projects may be designated as CEs after FTA approval. It is the subrecipient's and the MassDOT RTD Transit Unit's responsibility to provide documentation to the FTA which clearly demonstrates that the stated conditions or criteria are met and that no significant adverse effects will result. Such documentation is usually narrowly focused on one or a limited number of environmental concerns or questionable areas. Depending on the circumstances some technical analysis may be required, such as a noise impact assessment or a street capacity analysis, but in most cases the documentation will focus on consistency with local land-use plans, zoning, and any state or local plans or programs governing the protection and management of environmental resources, such as air quality, water quality, and noise abatement. The documentation will provide a written record of coordination with those state and local agencies having jurisdiction or a special interest in some aspect of the project, as well as public notice if required. FTA provides guidance to assist project sponsors in applying the specific categorical exclusions located at 23 CFR 771.118 to FTA projects. Guidance for Implementation of FTA's Categorical Exclusions (23 CFR 771.118) is available at

https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/guidance-implementation-FTA's-categorical-exclusions.

The MassDOT RTD Transit Unit reviews all § 5310, § 5311 and § 5339 projects for environmental impacts during project development and indicates classes of action and provides necessary documentation in the FTA grant application in TrAMS. For FTA funded construction and renovation projects that could have significant environmental impacts, the MassDOT RTD Transit Unit coordinates early with the subrecipient and FTA during the planning and preliminary engineering phases to assess environmental impacts. The MassDOT RTD Transit Unit documents this process by completing the latest version of the FTA Region 1 Categorical Exclusion Work Sheet with the subrecipient to develop appropriate environmental review and documentation in compliance with FTA requirements and provides this documentation in the FTA grant application.

FTA must concur with a CE before the MassDOT RTD Transit Unit can incur costs for federal or state reimbursement for all project development phases after preliminary engineering, including final design, real estate or right of way acquisition, procurement, and construction phases (23 CFR 771.113). The final determination whether a project is a CE or requires an EA or an EIS rests with the FTA Region 1 Office. For any project which is found not to be a CE, the lead agency may be required to prepare an Environmental Assessment (EA) or an Environmental Impact Statement (EIS).

M. RESTRICTIONS ON LOBBYING

Pursuant to 31 U.S.C. § 1352 and 49 C.F.R. Part 20, which prohibit recipients and subrecipients of federal funds from using those monies for lobbying purposes, recipients and subrecipients shall comply with the special provision "New Restrictions on Lobbying." On an annual basis, with the Certifications and Assurances process, subrecipients complete OMB Standard Form LLL and document if they are participating in lobbying activities. If yes, each state fiscal quarter, the MassDOT RTD Transit Unit will confirm the following:

- That non-federal funds were used to pay for lobbying activities.
- If local funds were used, the proper disclosures were made.
- If there was a cumulative increase of $25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a "covered Federal action."
- A change in the person(s) attempting to influence such action.
- A change in the officer(s), employee(s), or member(s) contacted to attempt to influence such action.
- Subrecipients with contractors or subcontractors confirmed lobbying activities and collected OMB Standard Form LLL.
- A copy of the form(s) was provided to the MassDOT RTD Transit Unit.

N. LABOR PROTECTIONS

1. Davis-Bacon and Related Acts

The Davis-Bacon and Related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of $2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Title 49 U.S.C. § 5333(a) requires such action, as may be necessary, to ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. Subrecipients agree to the Davis-Bacon Act provisions in the MGA and annual Certifications and Assurances. The MassDOT RTD Transit Unit may monitor compliance with the Davis-Bacon and related Acts as part of the quarterly monitoring.

2. Employee Protection

Provisions of Section 5333(b) Title 49 U.S.C. 5333(b) require that the interests of employees affected by assistance under most FTA programs shall be protected under arrangements the Secretary of Labor concludes are fair and equitable. Title 49 U.S.C. § 5311(i)(1) requires that the US USDOL) use "a special warranty that provides a fair and equitable arrangement to protect the interests of employees." MassDOT has provided all of the necessary documentation of the special warranty to the USDOL and subrecipients agree to the employee protection provisions in the annual Certifications and Assurances.

O. DRUG AND ALCOHOL PROGRAM DRUG-FREE WORKPLACE ACT

MassDOT provides an annual certification that MassDOT is a Drug-Free workplace.

P. DRUG AND ALCOHOL TESTING

Current FTA Drug and Alcohol regulations require MassDOT and its § 5311 funded subrecipients, including subrecipients that receive § 5311 and § 5310 funds, to establish a Drug and Alcohol (D&A) testing program in compliance with § 5331. This FTA regulation requires testing of all safety sensitive positions which includes drivers, dispatchers, mechanics and supervisors who control the movement of vehicles.

.

Subrecipients are required to annually certify their compliance with these federal regulations. The MassDOT RTD Transit Unit and/or their consultant verifies all requirements have been met for Drug and Alcohol testing including securement of records during triannual site visits and periodic reviews as needed.

The MassDOT RTD Transit Unit and/or its contractor reviews subrecipients' policies for adherence to the FTA Drug and Alcohol regulations. In addition, the MassDOT RTD Transit Unit is responsible for seeing that the providers are testing the accuracy of their testing contractor per the FTA regulations. When subrecipient violations occur, the MassDOT RTD Transit Unit and/or its contractor provide corrective actions with due dates, and monitor progress and closeout of the corrective action plans. All documents are saved in the MassDOT RTD Transit Unit's record-keeping system.

The Drug and Alcohol program requires subrecipients to report their drug and alcohol testing results annually for the previous calendar year. The data is entered into the FTA's DAMIS web portal. Subrecipients access the portal by entering an assigned username and password provided by the MassDOT RTD Transit Unit. At the beginning of each calendar year, FTA's Office of Drug and Alcohol Policy and Compliance (ODAPC) provides the MassDOT RTD Transit Unit's Oversight Compliance Officer with a username and password and for each § 5311 subrecipient, and their contractors, if applicable. Subrecipients are responsible for any data entered by their contractors, if applicable. Subrecipients enter their drug and alcohol results in the DAMIS web portal no later than February 15th of each year. The MassDOT RTD Transit Unit Oversight Compliance Officer reviews the data and shall follow-up if corrections are necessary.

In addition, the MassDOT RTD Transit Unit provides technical assistance to subrecipients in the form of training, networking, policy development, and distribution of FTA publications to ensure that subrecipients are current with FTA Drug and Alcohol Testing requirements.

Q. Transit Asset Management

The Moving Ahead for Progress in the 21st Century (MAP-21) Act required the Federal Transit Administration (FTA) to develop rules to establish a system to monitor and manage public transportation assets to improve safety and increase reliability and performance and to establish performance measures. The Fixing America's Surface Transportation (FAST) Act reaffirmed this requirement. On July 26, 2016, FTA published the Transit Asset Management (TAM) Final Rule. The goal of the Final Rule is to help achieve and maintain a state of good repair (SGR) for the nation's public transportation assets.

As a direct recipient of Federal financial assistance under the U.S.C., Chapter 53 of Title 49, the Massachusetts Department of Transportation (MassDOT) is designated as a "sponsor" and required to develop a Group TAM Plan for its subrecipients that provide public transportation service (excluding those

subrecipients that are also direct recipients under the 49 U.S.C. 5307 Urbanized Area Formula Grant Program). MassDOT completed the required TAM plan as a Tier II Plan and submitted the plan to FTA by the October 2018 due date. MassDOT provides updates to FTA as required. Starting in 2018, MassDOT also is required to submit annual TAM data to the National Transit Database (NTD).

Through the implementation of a Tier II Group TAM Plan, the MassDOT RTD Transit Unit strives to achieve the following goals and objectives:

- Detail the business process that will ensure the effective use of all available resources to make the right investment decision and minimize asset lifecycle costs.
- Outline a clear decision-making process that provides accountability for both MassDOT and subrecipients, and improves transparency for all stakeholders.
- Improve customer service and productivity, while reducing safety risks and costs.
- Regularly review and update the TAM plan to ensure the plan aligns with MassDOT's capital budget planning and reporting process. MassDOT, as the sponsor, and each subrecipient's Accountable executive, is required to revisit and update the TAM plan at a minimum of every four years.

TAM Plan Content Requirements

As required by the FTA, the Tier II Group TAM Plan must include the following four elements:

1. Inventory of Capital Assets – An inventory of the number and type of capital assets. The inventory must include all capital assets that a provider owns, except equipment with an acquisition value under $50,000 that is not a service vehicle.

2. Condition Assessment – A condition assessment of those inventoried assets for which a provider has direct capital responsibility.

3. Identification of Decision Support Tools or Processes – A description of analytical processes or decision-support tools that a provider uses to estimate capital investment needs over time. and develop its investment prioritization.

4. Investment Prioritization – A project-based prioritization of investments

The Tier II Group TAM Plan for MassDOT is for subrecipients of the FTA § 5310 and § 5311 programs who meet the criteria of:

1. Operating public transportation services (also known as "open" service for FTA § 5310 subrecipients), and

2. Owning, operating or managing a fleet of fewer than 100 revenue vehicles.

All MassDOT subrecipients that meet the criteria above must participate in MassDOT's Tier II Group TAM Plan or "opt out" of the plan and prepare their own individual TAM plan. If an organization chooses to opt-out of MassDOT's group plan and prepare an individual plan, they must share it with MassDOT by the October 2018 deadline and share any required updates by required deadlines. For those subrecipients that opt out of the Tier II MassDOT TAM Plan, the MassDOT RTD Transit Unit will review each opt-out organization's prepared plan for compliance with FTA's asset management requirements during triennial site visits and more often at the MassDOT RTD Transit Unit's discretion.

All subrecipients that chose to opt-out will be listed in Appendix B of the the MassDOT RTD Transit Unit's Tier II Group TAM Plan. The MassDOT RTD Transit Unit's requires each subrecipient to keep the confirmation received from the MassDOT RTD Transit Unit with related documentation on file. This information will be reviewed as part of the MassDOT RTD Transit Unit's compliance review process including triennial site visits and other interim oversight as needed and/or required.